

FEDERAL DATA FOR 2007

A SERIOUS QUALIFICATION

In 2008 taxpayers had to file a 2007 return to get a stimulus rebate check. This means we had more returns than we normally would have had. This has the advantage that we have a better idea of the population and income of Utah residents. But it has the serious disadvantage that comparison with previous years is probably not valid.

The data we get from the IRS always has some questionable amounts. This can be a scan error, a sticky data entry key, or putting the wrong amount in a data field, as well as taxpayer error. For example, on one return one of the dollar amounts was a leading digit plus the taxpayers social security number. For example 7#####, where the #s are the social security number. Every year we check the data for extremely large amounts that are not consistent with the rest of the return. An interest amount of \$ 55,485,548 and an AGI of \$45,729, for example. We generally either delete these returns or at least reduce the excessive amount. But with over one million returns all we can examine is really large numbers. We have done that for this year.

As a result of the questionable data issues we will not do our normal year-to-year comparison and suggest caution on this.